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RUEHCV/AMEMBASSY CARACAS 1923
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SUBJECT: CHILE MEDIA REPORT - JANUARY 24-26

Leading Stories

1. Chilean dailies highlighted the cancelling or postponing of investment projects worth US\$18 billion dollars, primarily in Chile's mining and real estate sectors, because of the economic crisis. Front-page coverage continued about the Obama administration's first week in office.

U.S.-Related News

2. Foreign Minister Alejandro Foxley wrote Hillary Clinton a letter stating that both countries share common views about democracy, free and fair trade and the importance of promoting human rights, which "clearly defines the challenges that our countries must face together in the future." He then expressed hope that both can "exchange ideas on these issues and on Latin America's situation and challenges" in the upcoming Summit of the Americas in Trinidad and Tobago (La Tercera, conservative, independent, circ. 101,000, 1/26).

3. In an interview, Foreign Minister Foxley outlined Chile's expectations regarding President Obama. "We want to strengthen what we began in the last stage of the Bush administration by entering a mature relationship where Chile is not asking for help in the traditional sense nor the United States imposing its demands; a relationship in which we treat each other as equals and where we look for the best in them" said Foxley (La Segunda, conservative, afternoon, circ. 33,000, 1/23).

4. Interview with John Podesta, chief of Obama's transition team. "The new administration will make an effort to restore alliances with governments from which we had moved away," he said, adding that Obama's program is ambitious. In the short-term he wants to deal with the recession, in the mid-term, he wants to restore the traditional role of the United States in the world, and in the long-term reengineer essential services such as health, education, and energy (La Tercera, 1/25).

5. Defense Minister Jos Goi will visit the Western Hemisphere Institute for Security and Cooperation (Whinsec) in March. The institute was known as The School of the Americas, a military academy where former military regime agents trained in counterinsurgency. Human rights organizations have asked the Chilean government to cease sending officers to train in the academy, but Minister Goi has assured that the academy is no longer what it was in the past (La Tercera, 1/26)

¶6. Regional daily El Rancaguino covered Ambassador Paul Simons' visit to the Rancagua in the VIth Region and his call on the daily's Director, the city's mayor and the regional Intendente. In those meetings, said the daily, the Ambassador addressed the region's strong agricultural activity, highlighting the positive results of the bilateral FTA and opportunities to further commercial cooperation. The Ambassador also expressed interest in promoting educational exchanges (El Rancaguino, 1/17).

¶7. An actor conducted an experiment. He posed first as a foreign tourist and then as a Mapuche Indian in front of La Moneda and the U.S embassy and recorded on video the reactions of the police and guards. In La Moneda he was able to walk for about 20 minutes as a tourist. No policeman approached him. But when he dressed as a Mapuche, he was immediately asked by a policeman about his motives and urged him to "move along." The same happened at the U.S. Embassy, where a policeman approached him to ask him about his camera when he was dressed as a tourist. When he arrived as a Mapuche, the Embassy's guard immediately told him he could not stay (Las Ultimas Noticias, leading-circulation, popular, circ. 140,000, 1/26).

¶8. U.S.-Chile talks regarding the marketing order to determine the date when Chilean fruit can begin entering the United States concluded. For the next five years, the marketing order will begin on April 10 and conclude on July 10. This is positive in the sense that Chilean exporters now have a date for the next years and can plan accordingly (El Mercurio, conservative, influential newspaper-of-record, circ. 129,000, 1/26).

¶9. Wal-Mart CEO for Latin America, Craig Herkert, will visit Chile next week. Wal-Mart just bought 58.29% of Chilean supermarket chain D&S. Herkert will become Vice President of D&S starting next week (El Mercurio, La Tercera, 1/24).

Cuba

¶10. Foreign Minister Foxley was asked about the reasons for President Bachelet's visit to Cuba in February. "Cuba is joining the international community. In fact, it just joined the Rio Group... and several chiefs of state have visited the island this month showing that the Cold War is over. We want to have some degree of closeness and exchanges with Cuba, because if it truly joins Latin America a series of issues will arise in which we want our voice to be heard. Another element is commercial in nature.... Cuba needs to import large volumes of products that we produce.... We also want to show that foreign affairs in the 21st Century are not defined by ideology, but rather by shared interests.... Integration is a top priority of our foreign policy, accepting that there is an array of paths of development and even of political systems.... This is about looking for those areas in which we agree and about accepting differences (La Segunda, conservative, afternoon, circ. 33,000, 1/23).

¶11. In an interview, Foreign Minister Foxley was asked if Bachelet's trip to Cuba in February is intended as a sign to Obama regarding the need to integrate Havana into the international community. "This is an issue that will come up in any conversation with Obama, but it is not the only one. What we want is for the United States to have a more active and open participation in multilateral organizations so that decisions made do not exclude the international community, as occurred in some cases with the Bush administration," said Foxley (La Segunda, 1/23).

Local politics

¶12. The Party for Democracy (PPD) proclaimed former President Eduardo Frei its presidential candidate in the 2009 election (La Tercera, 1/26).

Editorials

¶13. "The Summit of the Americas in April in Trinidad and Tobago will be the true test for Obama regarding his relationship with the hemisphere. The President will have the chance to meet all the continent's leaders for the first time; all that is said before is an outline of what the White House is preparing to do in the near

future (El Mercurio 1/26 weekly round-up column).

¶14. "Although some believe that the world is entering a post U.S.-era, it seems undeniable that the United States will continue to exert a global leadership -- at least in the mid-term -- that it will not be countered.... The expectations created by this new global U.S. leadership that President Obama intends to promote are enormous.... Obama's case is one of the most potent signals that the American Dream can still be a source of inspiration for people worldwide (La Tercera, 1/24).

SIMONS